

**EXHIBIT A**

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD  
CENTRAL COAST REGION**

**895 Aerovista Place, Suite 101  
San Luis Obispo, CA 93401-7906**

**ADMINISTRATIVE CIVIL LIABILITY  
STIPULATED ORDER NO. R3-2005-0067**

**Issued to:**

**City of Santa Cruz, Department of Parks and Recreation  
De Laveaga Golf Course, Santa Cruz  
Santa Cruz County**

The California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) finds:

1. The City of Santa Cruz (City), through its Parks and Recreation Department owns and/or leases, and operates the 108.5-acre De Laveaga Golf Course (Site), located at 401 Upper Park Road in Santa Cruz, Santa Cruz County.
2. On August 19, 1999, the State Water Resources Control Board (State Board) adopted Order No. 99-08-DWQ *National Pollutant Discharge Elimination System (NPDES) General Permit No. CAS000002* (Permit). In accordance with the *Clean Water Act* (United States Code, Title 33, Chapter 26) and the *Porter Cologne Water Quality Control Act* (California Water Code Sections 13000 et seq.), the Permit, as amended, serves as waste discharge requirements regulating storm water discharges associated with construction activity of sites disturbing one acre or more.
3. On September 16, 2004, Mr. Hammack signed a Notice of Intent (NOI) to comply with the Permit on behalf of the City of Santa Cruz.
4. The Permit requires the City to develop and implement a Storm Water Pollution Prevention Plan (SWPPP) in accordance with Permit Section A, and "implement an effective combination of erosion and sediment control on all disturbed areas during the rainy season."
5. On December 8, 2004 and January 12, 2005 Central Coast Water Board staff inspected the Site and determined the City was in violation of Permit requirements. The period of violation is at least from September 20, 2004 through April 4, 2005, a total of one hundred ninety-seven (197) days.
6. California Water Code Section 13385 states that any person who violates waste discharge requirements shall be civilly liable. The Central Coast Water Board may impose administrative civil liability not to exceed ten thousand dollars (\$10,000) for each day the violation occurs.

7. On April 13, 2005, the Water Board Executive Officer issued a Complaint in the amount of one hundred fifty thousand dollars (\$150,000), including staff costs. Total estimated staff costs were fifteen thousand six hundred seventy-five dollars (\$15,675).
8. On July 7, 2005, the Central Coast Water Board considered the administrative record, including all comments and testimony received and ordered the City of Santa Cruz, Department of Parks and Recreation to pay a total civil liability of one hundred thirty thousand five hundred dollars (\$130,500) to the State Water Resources Control Board (State Board) Cleanup and Abatement account.
9. On July 29, 2005, the City, without contesting the fine amount, petitioned the State Board to hold the liability in abeyance, in order that a Supplemental Environmental Project could be financed in lieu of sending the money to the Cleanup and Abatement account.
10. On August 3, 2005, the State Board agreed to hold the matter in abeyance for two years to allow the City and the Central Coast Water Board to resolve the issue.
11. On September \_\_, 2007, the State Board vacated and remanded Order No. R3-2005-0067 to the Central Coast Water Board.
12. Based upon the terms of this Order and the signed Settlement Agreement, the City agrees to pay staff costs of Fifteen Thousand Six Hundred Seventy-Five Dollars (\$15,675) to the State Board Cleanup and Abatement Account and to pay One Hundred Fourteen Thousand, Eight Hundred and Twenty-Five Dollars (\$114,825) toward the Blue Trail Gullies Supplemental Environmental Project (SEP), as described below.

**IT IS HEREBY ORDERED, AS STIPULATED BETWEEN THE PARTIES:**

1. The City shall pay Water Board staff costs of Fifteen Thousand Six Hundred Seventy-Five Dollars (\$15,675). The warrant shall be made payable to the State Water Resources Control Board and delivered to the Central Coast Water Board within thirty (30) days after the adoption of this Order.
2. The City shall pay One Hundred Fourteen Thousand, Eight Hundred and Twenty-Five Dollars (\$114,825) ("Suspended Liability") towards completion of the Blue Trail Gully Project (Project) on the east branch of Arana Gulch, in Santa Cruz County. The Project shall be managed by the Santa Cruz County Resource Conservation District. The City shall not be responsible for the implementation or completion of the Project; the City's sole obligation is to provide the Project funding upon its completion as provided for hereunder. Within thirty (30) days after the Executive Officer notifies the City in writing that the Project has been satisfactorily completed as set forth below, the City shall make payment directly to the Santa Cruz County Resource Conservation District; if the City's share of the final total cost of the successfully completed Project is less than the amount of Suspended Liability, the City shall remit the difference to the State Water Resources Control Board.

3. The City (or the Santa Cruz Resource Conservation District, on the City's behalf) shall provide the Central Coast Water Board with a written certification of Project completion and a post-project accounting within thirty (30) days after Project completion.
4. The Central Coast Water Board Executive Officer shall issue the City written notification of satisfactory completion of the Project within fourteen (14) days after receipt of the above-described certification and post-project accounting showing successful completion of the Project, as described in the March 28, 2007 letter attached to the Settlement Agreement as Exhibit B.
5. If the Executive Officer does not either issue a written determination of successful Project completion or a written explanation stating all reasons why the Executive Officer denied such determination within the above-stated fourteen (14) day period, the Project shall be deemed satisfactorily completed. Within thirty (30) days thereafter the City shall pay the Suspended Liability to the SCRCD, and shall remit any difference between the final Project cost and Suspended Liability to the State Water Resources Control Board.
6. If the Project is not completed to the satisfaction of the Executive Officer by December 31, 2008, unless the Central Coast Water Board or Executive Officer extends the time schedule pursuant to Paragraph 8 or the City and the Executive Officer agree in writing that the City may fund a different Supplemental Environmental Project, the City shall pay the entire amount of Suspended Liability to the State Board Cleanup and Abatement Account. The City shall make such payment within thirty (30) days of receipt of notification from the Executive Officer.
7. Whenever the City publicizes the City's participation in the Project, it shall state in a prominent manner that the Project is being funded in part through the settlement of an enforcement action against the City.
8. The Central Coast Water Board hereby reserves jurisdiction to extend any or all deadlines set forth in this Stipulated Order. The Water Board or the Executive Officer may extend any or all deadlines if the Water Board, or the Executive Officer, determines that good cause exists to do so.
9. This Stipulated Order shall not become final until the Central Coast Water Board has provided thirty (30) days public notice in accordance with 40 CFR 123.27.

I, Roger W. Briggs, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of an order adopted by the Central Coast Regional Water Quality Control Board on \_\_\_\_\_, 200\_\_.

\_\_\_\_\_  
Roger W. Briggs, Executive Officer

\_\_\_\_\_  
Date